

CITY COMMISSION
CITY OF WILDWOOD, FLORIDA
SECOND BUDGET WORKSHOP
AUGUST 15, 2011 – 9:00 A.M.
CITY HALL COMMISSION CHAMBER

The City Commission of the City of Wildwood, Florida met in Special session, August 15, 2011 at 9:00 a.m.

Present were: Mayor Wolf, Commissioners Bivins, Clark, Allen and Strickland. Also present were: City Manager Smith, City Clerk Jacobs, Police Chief Reeser.

The meeting was called to order by Mayor Wolf who deferred the invocation and pledge.

1. TIMED ITEMS AND PUBLIC HEARINGS **NONE**

2. REPORTS AND PUBLIC INPUT
SPECIAL PRESENTATION:

- Power Point Presentation of the FY 2011-2012 BUDGET by Robert Smith, City Manager

AND

f. FINANCIAL

- 1) Revised FY11-12 Budget Information (Minor adjustments will be explained at the workshop) (Attachments) (please remember to bring the budget packet sent to you on July 1st)

CM Smith – based on revenues he and CC Jacobs agree upon, have seen a huge increase in some of the revenues, such as Revenue Sharing and Ad Valorem taxes. These increases are due to population increase and increase in development. Commission tentatively adopted tax rate of 4.0714, which is a 3.5% decrease in the rate from the previous year. Even with the fluctuation in the market feels there will be adequate reserves to cover if that fluctuates in the negative for the City. The presentation includes over \$365,000 in reserves with \$100,000 of that is dedicated toward the construction of the Police Department. Ad Valorem revenue could be less if property owner doesn't pay the taxes in the year assessed. A tax lien would be placed against the property and the amount could be negotiated down by whomever purchases the tax lien. When that is done the amount the City receives would be less.

Some operational costs have increased due partly to the fluctuation in gas prices. Don't believe the gas rate will go over \$3.86 because it is coming into an election year.

Provided budget analysis for FY 2010-2011. Noted expenditures in General Fund are expected to come in about \$108,000 less than anticipated partly due to General insurance anticipated expenditures that have been reduced by elimination of refuse, and found some items that should have been split between General and Enterprise. In Development Services professional engineers utilized less, and also the traffic counts are less. Legislative expenditures are less because the Commission did not meet as much as anticipated. Police expenditures are less due to differences in pay rate between an employee leaving and replacement employee. Community Center less through

control of expenditures. HR is less because the HRC was hired in November instead of October. Compared to complete overview: Police Department shows expenditures under more because they received grant revenues to fund vehicles. Total in black of \$72,276.

Enterprise fund – have had several mishaps in water and sewer due to flooding and lightning strikes. They will come in about \$4000 under. Savings in water department from operational costs and salaries for the next two months until Utility Director is hired.

Reviewed Enterprise Fund – operational expenditures of 2.9 million, debt service of 1.1 and next year it will be less because we pay off one of the loans this year. Operational revenues of 4.259, transfers, SWFWMD grant 126,612, contingency in red by 107,558, but the Commission put in the connection fees collected, the TIE fee projects minus the TIE fees collected, insurance reimbursement, which comes to a contingency of \$12,808. The contingency should be more by the end of the year.

2011-2012 budget –

Public Record Retention – Clerk's department is working on reviewing boxes and preparing for destruction. Then set up the annex as a records facility with budget of \$35,000 to begin, which is in the budget.

466A construction has been scheduled by the County for 2012 budget year. \$100,000 in CRA budget for utility infrastructure upgrades. Commissioner Allen questioned if there would be swap of land for retention. CM Smith indicated that was done with the 209 work. Playground equipment can be placed where the Commission decides, but it is old equipment and may be a liability issue. Mayor Wolf noted a park is being planned on property of the person who built the train. Commissioner Strickland indicated he would like to see it refurbished and relocated.

IT Fiber and offsite hosting – moving forward with IT and working with County regarding fiber communication, underground. Have placed \$120,000 in budget for next year. Computer hardware upgrades in budget is \$44,000.

Future police station - \$100,000 allocated toward police station construction fund. Total facility will be about 9 million, but base facility of about 4-5 million. Consider accreditation in the new facility. Commissioner Allen asked when the old apartments will be taken down. CM Smith indicated as soon as there is \$75,000 in the police impact fee fund. Impact fees should be coming in from Brownwood.

Field Training Officers – recently came up that a policy is needed for compensation for FTO's. These are Officers that train new officers according to the FTO manual. Compensation varies from City to City. The total impact on the budget is about \$4,172 annually. CM Smith indicated not big advocate of Comp time.

Motion by Commissioner Strickland, second by Commissioner Clark to tentatively approve \$.25 per hour Compensation for six officers as Field Training Officer, and for policy to be drafted. Motion carried by unanimous vote.

Winter Fest - P&RC Hargrove has been working with the P&R Board we would like to set as a one day event. The budget provided can be changed, and would like to begin with \$5,000 instead of \$10,000, but could come back to Commission at a later date for additional funding. Commissioner Strickland expressed concern that cutting funds too much would cut back on the number of things for the kids to do. Commissioner Allen expressed concern that liability be covered. CM Smith – one complaint last year is that there was not enough for the kids and he wants to be sure that does not happen this year. Each person or business providing activities to provide insurance and provide the City with a certificate of insurance.

Motion by Commissioner Allen, second by Commissioner Bivins to tentatively approve \$5,000 for Winter Wonderland. Motion carried by unanimous vote.

Water Department office – will be moving the water department offices to the old library along with the Parks & Recreation office. Improvements will be about \$30,000. Needs new carpet and painting inside.

City Logo – money in budget for business to develop new city logo.

Water and wastewater rates – the CPI has rocked between 2.1 and 2.7. Commission approved 2.1%. Environmental Engineers came up with an allocation of 3.6%. Plan to bring back the Resolution for the Commission to decide whether to change from 2.1 to 3.6. Would like to have Commission direction since the Mayor will not be present on the 22nd. Impact to the residential single family is \$.60 per month. Mayor Wolf noted that since the Commission had approved for the rates to increase each year by the CPI that is what should be done. If it is 3.6 then that is what should be approved if there are facts to back it up. Commissioner Strickland asked where the Waste Management monies are in the budget. Noted that it is in Franchise fees. Waste Management is seeking an increase for refuse, which will be placed before the Commission on the 22nd.

Common Consent with Mayor Wolf concurring, to amend Resolution regarding water/wastewater rates to 3.6% from the previously approved 2.1%.

CM Smith – with everything in place in the budget, there is a General Fund reserve of \$261,000, which is roughly 5% of the total revenue. There is also the \$100,000 in the police station construction fund that could be tapped into if the economy drops further. Commissioner Strickland asked if that could be tapped into to tear down the apartments on the site for the new police station. The City Manager indicated yes that could be done if by September 2012 there is at least \$50,000 in the Police Impact Fees, then \$25,000 could be drawn from the Construction fund to demolish the building.

Enterprise fund of \$127,980 is just operational over expenditures. This would cover obligations if no new development taps onto the lines. However, there should be checks coming in starting November 1. That could be addressed at the mid year report as to how the money will be spent or build reserves. Capital enhancements are needed by both water and wastewater departments.

Long and Short Term Debt service – Mayor Wolf expressed that in the future pay more toward principal because the interest on some of the notes is more than the principal. When more contingency is available we need to pay down the principal.

CM Smith noted that the Fleet Services Coordinator, Steve Watson checks vehicles and if the repairs are excessive he notifies the department head and makes recommendations to them. Mayor Wolf suggested that as the City replaces vehicles, that old vehicles be declared surplus and disposed of and not just store them around the city. CM Smith indicated he agrees.

Commissioner Strickland noted that he met with a budget director of a large city and because the loan rates have gone down they have refinanced and suggested that the City consider refinancing, which could drop the interest. CM Smith – will look at the SRF rates.

Commissioner Strickland asked how many employees in Fleet Services. CM Smith noted there are two. Also noted that applications for the Utility Director are coming in and interviews will probably start in two weeks. Also will hire a Water Department Coordinator.

Commissioner Strickland asked if it would make sense to outsource some vehicle maintenance, considering the amount of salaries, administration and benefits in that budget. CM Smith noted he would review and compare. Commissioner Allen noted the return time of the equipment going back into service should be considered as part of the review.

Update on City Manager position with Windermere. CM Smith indicated contract discussions are going forward and the discussions are positive. They want to move as fast as possible. He will provide a 60-day notice if he enters into a contract with Windermere.

Mayor Wolf comments regarding City Manager. Knows what Windermere considering and that it would be a better position for Robert, but would like to come up with a contract proposal to increase salary to try to keep him. Suggested a 10% increase be offered. He knows that the City Manager is not expecting any increase to try to keep him. CM Smith noted he is not getting into a bidding war.

Mayor Wolf – he would have a lot of second thoughts if Robert took another job and the Commission did nothing to keep him at Wildwood. Feels Robert is underpaid.

City Manager Smith – exited meeting for Commission to further discuss.

Mayor Wolf – noted that City has lost the Water Department Director and not replacing secretary in City Manager department there would be funds available. Noted that Robert has taken on additional responsibilities above the last city manager. Considering what other area cities are paying their city managers, Robert should be paid more.

All expressed the desire for Robert Smith to remain with the City, but also understand that he has goals for his future. All expressed that the Commission would be amiss if they didn't make an offer and ask him to remain with the City. Expressed concern that if he leaves the City may not be able to find someone of his qualifications. Noted that Robert was not a City Manager when he came to the City. Noted that his management style is positive and great.

Discussion included 10% versus 15% and whether Robert would negotiate. Noted that new contract would have to be negotiated if he remains.

By common consent the Commission approved for Mayor Wolf to offer additional 15% of base with car and cell phone allowance to remain the same.

- a. City Manager **NONE**
- b. City Attorney **NONE**
- c. City Clerk **NONE**
- d. Commission Members **NONE**
- e. Public Forum (10 minute time limit) **NONE**
- f. Notes, Reports, and items for the file as attached **NONE**

3. NEW BUSINESS – ACTION REQUIRED

- a. MINUTES **NONE**
- b. ORDINANCES FIRST READING ONLY (READ ONLY – NO VOTE) **NONE**
- c. RESOLUTIONS FOR APPROVAL: **NONE**
- d. APPOINTMENTS **NONE**
- e. CONTRACTS AND AGREEMENTS **NONE**
- f. FINANCIAL – **SEE ABOVE**
- g. GENERAL ITEMS FOR CONSIDERATION **NONE**

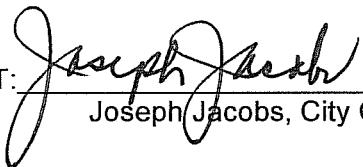
4. ADJOURN:

Upon a motion by Commissioner Allen, second by Commissioner Strickland the meeting was adjourned.

CITY COMMISSION
CITY OF WILDWOOD, FLORIDA

SEAL

ATTEST:


Joseph Jacobs, City Clerk


Ed Wolf, Mayor

BY: Ronald B. Allen, Mayor Pro tem